

Mobiloil CREDIT UNION

Property Insurance Claim Process

We are sorry to hear that you have experienced damage to your property. As a valued member, our goal is to ensure you receive insurance claim funds as quickly as possible if repair or restoration is economically feasible or required under your loan documents while ensuring the repairs are performed sufficiently. It is your responsibility to ensure all repairs are completed by qualified professionals and the insurance funds are expected to be used to repair the property. Depending on your situation, Mobiloil Federal Credit Union, releases funds for repairs based on two processes **Monitored** and **Non-Monitored**. Below is a summary of the criteria used to determine which process will be used and what to expect. The disbursement process will begin once the required documents are received and approved. For either process, if the loss draft funds exceed the amount required to pay off the loan, then excess funds will be immediately refunded. Below is what is needed to begin the process and the full details are provided on the next page including future disbursements and inspections, if required.

	Monitored Claims	Non-Monitored Claims
Process Criteria	<ul style="list-style-type: none"> • Loan is 30+ days past due or • Claim funds are <i>greater</i> than \$20,000 	<ul style="list-style-type: none"> • Loan is Current or • Claim funds are <i>less than or equal</i> to \$20,000
Actions to Get Started	<ul style="list-style-type: none"> • Complete the Insurance Claim Disbursement Form • Collect the Minimum Documents Required • Collect the Additional Documents Required • Send all documentation and endorsed loss draft check to Mobiloil Federal Credit Union 	<ul style="list-style-type: none"> • Complete the Insurance Claim Disbursement Form • Collect the Minimum Documents Required • Send all documentation and endorsed loss draft check to Mobiloil Federal Credit Union
What Happens Next	<ul style="list-style-type: none"> • We will review your documents and contact you to discuss the initial disbursement, draw and inspection process 	<ul style="list-style-type: none"> • We will review your documents and contact you to discuss funds disbursement

If you have questions about the property insurance claim process, you can email your questions to mortgage@mofcu.org or call 409-924-5213. For email communication please include your name, property address and mortgage loan number.

Property Insurance Claim Disbursement Request Form

For either **Monitored** or **Non-Monitored**, if the loss draft funds exceed the amount required to pay off the loan, then excess funds will be refunded. The insurance funds are expected to be used to repair the property.

Please visit www.irs.gov/pub/irs-pdf/fw9.pdf to download a copy of the Contractor's W9 Form. If multiple contractors are used for repairs, please submit the appropriate forms for each contractor.

	Monitored Claims	Non-Monitored Claims
Process Criteria	<ul style="list-style-type: none"> • Loan is 30+ days past due or • Claim funds are <i>greater</i> than \$20,000 	<ul style="list-style-type: none"> • Loan is Current or • Claim funds are <i>less than or equal</i> to \$20,000
Documentation Requirements	Minimum Documents Required	
	<ul style="list-style-type: none"> • Signed and Dated Insurance Claim Disbursement Form (this form) • Fully endorsed insurance loss draft check • Copy of entire insurance adjuster's worksheet • Insurance Property Damage Form Declaration of Intent to Complete Repairs (form can be found in this packet) 	
	Additional Documents Required	
	Monitored Claims (All)	Non-Monitored Claims
	<ul style="list-style-type: none"> • Copy of Contractor's estimate or invoice for the repairs • Contractor's Statement for all contractors (form can be found in this packet) • Copy of Contractor's DBA certificate if applicable • Contractor's W9 • Copy of Contractor's Liability Insurance 	<ul style="list-style-type: none"> • None
Initiating Disbursement Process	<ul style="list-style-type: none"> • The disbursement process begins once the required documents are received and approved. 	

Borrower Name _____

Co-Borrower Name _____

Loan Number: _____

Property Address: _____
City State Zip

Contact: Phone Number _____ Email: _____

Borrower Signature: _____ **Date:** _____

Co-Borrower Signature: _____ **Date:** _____

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TO RECEIVE THE FIRST DRAW

- Upon receipt of all required documents we will release 1/3 of the insurance funds payable to you and the contractor completing the repairs.
- Upon receipt of the first draw, the contractor must execute a CONDITIONAL WAIVER AND RELEASE ON PROGRESS PAYMENT. This document must be completed and returned before the second draw may be made.

TO RECEIVE THE SECOND DRAW

- An inspection is required to confirm the repairs are 2/3 completed; your contractor will be able to determine when your repairs will be to this point.
- Please contact us approximately one week prior to the repairs reaching this point.
- A copy of applicable building permit(s) secured will be required as well as the inspection results for the second 1/3 to be released to you and the contractor.
- Upon receipt of the second draw, the contractor must execute a CONDITIONAL WAIVER AND RELEASE ON PROGRESS PAYMENT. This document must be completed and returned before the final draw may be made.

TO RECEIVE THE FINAL DRAW

- Please contact us to request the final inspection approximately one week prior to expected completion.
- In the event additional funds are due to the contractor over the insurance proceeds, you are responsible for payment of these funds to the contractor and providing proof of such payment to our office.
- A "CONDITIONAL WAIVER AND RELEASE ON FINAL PAYMENT" and a "Statement of Completion and Satisfaction" will be sent to you upon request of the final inspection. These items must be completed and returned to our office prior to the final draw being issued.
- The "CONDITIONAL WAIVER AND RELEASE ON FINAL PAYMENT" is completed by the contractor which waives the contractor's right to place a mechanic's lien on the real property after the contractor is paid in full. The total contract amount and the current balance due must be listed in the appropriate fields.
- The "Statement of Completion and Satisfaction" is completed by you and affirms that the repairs have been completed to your satisfaction.

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IMPORTANT NOTES:

- ❖ All draws can be made available for pick up at our branch locations or mailed via regular mail. You may request a UPS package with a \$15.00 charge, in which you are responsible for payment.

- ❖ All structural repairs are to be completed by a contractor.

- ❖ Repairs are to be completed within 180 days or funds may be applied to the unpaid principal balance of the mortgage. If you expect your repairs to require more than 180 days to be completed, please notify us of the date the repairs are expected to begin as well as the expected completion date.

- ❖ Tips for choosing a contractor:
 - Do your homework
 - Ask friends and family for referrals or contact your Better Business Bureau
 - Fully insured with proper certification
 - Get bids
 - Get a formal contract
 - Ask questions:

How long have you been in business?

What similar projects have you done?

May I have a list of referrals and suppliers?

Will you be on-site for repairs?

Do you have regular employees or subcontractors?

How long will the project take?